

City of Cincinnati



*Interdepartmental
Correspondence Sheet*

November 15, 2001

To: Mayor and Members of City Council

From: John F. Shirey, City Manager

Copies to: David Crowley, David Pepper

Subject: **2002 OPERATING BUDGET UPDATE REPORT**

This document presents my recommended 2002 Operating Budget Update for the General Fund and Restricted Funds. The recommended 2002 Operating Budget Update, unlike most update years, represents a significant departure from the planned revenues and expenditures contained in the 2001/2002 Approved Biennial Budget.

Table I: 2002 OPERATING BUDGET UPDATE SUMMARY

(In \$ Millions)	2001 Approved Budget	2002 Approved Budget	2002 Budget Update	Change From 2002 Approved
General Fund	\$308.1	\$316.9	\$314.9 ¹	-0.6%
Restricted Funds	<u>377.2</u>	<u>387.5</u>	<u>393.0</u>	1.4%
Total Operating Budget	\$685.3	\$704.4	\$707.9	0.5%
NOTE:				
(1) The 2002 General Fund Update amount does not include one-time capital transfers of \$6.1 million. This amount is part of the Capital Budget.				

My recommended 2002 Operating Budget Update totals \$707.9 million as shown in Table I. This compares to \$704.4 million originally approved by the City Council for 2002 in the 2001/2002 Biennial Budget. The recommendation includes a General Fund budget of \$314.9 million and a Restricted Funds budget of \$393 million. The total operating budget recommendation is \$3.5 million, or 0.5%, more than the 2002 budget approved by the City Council due primarily to increases in the Restricted Funds such as the Bond Retirement Fund and the Metropolitan Sewer District (MSD) Fund.

General Fund Expenditures

The General Fund Budget Update net decrease of 0.6%, or \$2.1 million less than the 2002 Approved Budget, was accomplished by most departmental budgets being reduced by 5% from the amounts originally approved. Departmental reductions total \$3.3 million and are offset by \$1.2 million in non-departmental increases, particularly health care for employees. These reductions will directly affect current services. These service reductions include:

- Elimination of the Nursing Home Licensure Program (\$190,130),
- Reduction in the School Nursing Program (\$289,720),
- Elimination of the Office of Consumer Services (\$145,320),
- Reduction of the Human Services Policy amount to meet the 5% reduction (\$243,000),
- Reduction of the Arts Policy amount to meet the 5% reduction (\$22,680),
- Reduction in non-Human Services Policy Professional Contracts to meet the 5% reduction as identified in Table III located at the end of the “Changes in General Fund Expenditures for 2002” section of this report (\$173,720),
- Reduction of the Parks Nature Education and Centers Program (\$250,200),
- Closing of 6 City pools identified as Bramble Shallow Water, Laurel Shallow Water, Mt. Airy Shallow Water, Owls Nest Shallow Water, Rakestraw Deep Water, and Rapid Run Shallow Water (\$87,420),
- Reduction in the Hazard Abatement Program (\$221,160). (Prior year capital funds in the amount of \$600,000 will be utilized to maintain the Hazard Abatement Program.)

Other reductions that could impact services include:

- Staffing reductions in the Recreation Department (\$454,890),
- Staffing and non-personnel reductions in administrative departments such as the Finance Department (\$457,710); the Human Resources Department (\$115,690), and the General Services Department (\$392,600).

While most departmental budgets were reduced by 5% from the 2002 Approved Budget, these reductions were offset primarily by the following additions to the General Fund 2002 Budget Update:

- The addition of \$582,960 for 30 Police Recruits for the second recruit class in 2002 (part of the 75 police officer addition),
- An additional amount of \$56,850 will fund a Fire Lieutenant position to be dedicated to training and preparation activities related to weapons of mass destruction and emergency preparedness.
- The addition of \$67,950 for the conversion of an engine company to a paramedic engine company at Firehouse 49 in Madisonville.
- An additional \$705,000 in the Law Department to cover the costs of the ongoing U.S. Justice Department review, racial profiling litigation, police arbitration cases, and other expert services, and
- An Employee Health Care cost increase of \$3.5 million.

More detailed descriptions of these budget changes are provided in the “Changes in General Fund Expenditures for 2002” section of this report.

General Fund Revenue and Fund Balance

Table II: 2002 GENERAL FUND SUMMARY UPDATE

(In \$000's)	2001 Revised Estimate	2002 Approved Budget	2002 Budget Update
Revenue	\$308,495	\$324,026	\$308,979
Carryover – Prior Year	<u>15,917</u>	<u>6,537</u>	<u>9,385</u>
Resources	\$324,412	\$330,563	\$318,364
Expenditures & Transfers	\$320,250	\$334,603	\$320,946
Expenditure Savings	<u>5,223</u>	<u>4,679</u>	<u>4,648</u>
Estimated Carryover	\$9,385	\$639	\$2,066

The Recommended 2002 General Fund Budget Update is balanced. The 2002 revenue estimate is \$309 million, which is \$15 million less than the 2002 Approved Budget level of \$324 million. This reduction is primarily due to lower Earnings Tax projections of \$12.2 million; a decline in investment income of \$2 million due to lower interest rates; and a \$1 million reduction in fines. Additionally, the State Legislature's decision to freeze the Local Government Fund to provide more funding for schools results in a \$0.8 million reduction in revenue. These are offset by an increase in the estimated Estate Tax of \$0.8 million and other net increases of \$0.2 million.

The revised 2002 revenue estimate includes two fee increases in the General Fund as follows: 1) a fee increase from \$10 to \$12 will be charged by the Health Department for providing vital records, such as death certificates, and will result in an additional \$200,000 annually, and 2) a fee increase for EMS billing will be implemented by the Fire Division for collections from first and third party payers which will generate an additional \$600,000 annually.

The recommended 2002 General Fund expenditures budget of \$314.9 million and budget transfers to the Capital Budget of \$6.1 million exceed the revenue estimate by \$11.9 million. The Recommended 2002 General Fund Budget Update will be balanced by using the 2001 carryover balance estimated at approximately \$9.4 million and by assuming that departments will save 1.5%, or \$4.6 million, in 2002. The carryover balance at the end of 2002 is projected at only \$2.1 million.

Restricted Funds (See Appropriated Restricted Funds 2002 Budget Update beginning on page 15.)

All of the 17 Appropriated Restricted Funds are balanced in the 2002 Budget Update. With the exception of the Convention Center Fund, all are expected to have sufficient fund balances at the end of 2002 for future budgets. There are 7 funds which have noteworthy changes in revenue and/or expenditures in the Budget Update. These are as follows:

Water Works Fund - The revenue estimate for the 2002 Budget Update has been reduced by \$4.2 million from the 2002 Approved Budget. The revenue estimate is based on the 3% rate increase which was previously included in the 2002 Approved Budget and is estimated to generate an additional \$2.2 million. The reduction of \$4.2 million reflects a more conservative water usage estimate as the result of recent experience. The operating expenditures for the 2002 Budget Update have been reduced by \$322,000 compared with the 2002 Approved Budget. The fund is expected to have an adequate fund balance at the end of 2002.

Convention Center Fund – Due to the downturn in the convention business locally, revenue in the 2002 Budget Update is decreased by \$900,000, or by 18%, compared with the 2002 Approved Budget. Expenditures have been reduced by \$152,000 in the 2002 Budget Update from the 2002 Approved Budget to balance the budget with no fund balance expected at the end of 2002. The Convention Center management has implemented many cost-saving measures while continuing to provide basic services, but expenditures still exceed revenue and use of all prior year carryover is required to balance the fund.

In order to avoid the need for a General Fund subsidy in 2003 and beyond, I am recommending that the City Council increase the Transient Occupancy Tax from 1.5% to 3%. This increase will generate approximately \$1.2 million annually. In order to build business, I am recommending that the Greater Cincinnati Convention and Visitor's Bureau receive approximately \$300,000 of the additional revenue generated from the tax increase to use for incentives to attract conventions to Cincinnati. The Convention Center will receive approximately \$900,000 of the revenue from the tax increase, which can be used for operating expenses if needed. Funds not needed for the operation of the existing Center will be held in reserve to fund Center expansion. I recommend that the City Council take this action to increase the Transient Occupancy Tax to be effective as soon as possible in 2002. Please note that the Convention Center table on page 21 does not reflect the tax increase, pending City Council action.

Municipal Golf Fund - The revenue estimate for the 2002 Budget Update has been reduced by \$578,000 compared with the 2002 Approved Budget. This more conservative estimate is the result of recent experience. The fund is expected to have a sufficient fund balance at the end of 2002, but the fund's performance will be closely monitored.

Street Construction, Maintenance, and Repair Fund - The revenue estimate has been reduced by \$277,000 in the 2002 Budget Update compared with the 2002 Approved Budget. Although the fund will have a sufficient balance at the end of 2002, the fund's performance will be closely monitored. Over the past few years, vehicle registrations have declined and other local jurisdictions have received a larger proportion of the revenue because more accurate residency information is available on licensees.

Income Tax Infrastructure Fund - The revenue estimate has been reduced by \$934,000 in the 2002 Budget Update compared with the 2002 Approved Budget. This reflects the decrease in City Income Tax growth for 2002. The fund is expected to have a sufficient balance at the end of 2002.

Municipal Motor Vehicle License Tax Fund - The revenue has been reduced by \$233,000 in the 2002 Budget Update compared with the 2002 Approved Budget. Although the fund will have a sufficient balance at the end of 2002, the fund's performance will be closely monitored. Over the past few years, vehicle registrations have declined and other local jurisdictions have received a larger proportion of the revenue because more accurate residency information is available on licensees.

Income Tax-Transit Fund - The revenue estimate has been reduced by \$2.5 million in the 2002 Budget Update compared with the 2002 Approved Budget. This reflects a decrease in the City Income Tax growth for 2002. The fund is expected to have a sufficient balance at the end of 2002.

City Staffing

A total of 6,570.5 full-time equivalent positions (FTE) are recommended in the 2002 Operating Budget Update, a decrease of 39.5 FTE from the 2002 Approved Budget. This decrease is primarily due to the net reduction of 5.2 FTE in the Finance Department, the net reduction of 9.0 FTE in the General Services Department after the transfer of the General Aviation Division to the Transportation and Engineering Department, the net reduction of 6.2 FTE in the Health Department, the net reduction of 6.8 FTE in the Parks Department, the reduction of 5.0 non-sworn FTE in the Police Division, and a net reduction of 7.3 FTE in other departments. Descriptions of all FTE changes are included in the “2002 Staffing Plan” section of this report.

General Fund Budget Summary - Update

Agency/Account	2001 Approved Budget	2002 Approved Budget	2002 Recommended Change	2002 Recommended Update
City Council	\$1,307,160	\$1,548,950	(\$130,640)	\$1,418,310
Office of the Mayor	188,170	192,490	114,290	306,780
Clerk of Council	758,720	1,281,770	0	1,281,770
City Manager				
City Manager	1,372,440	1,404,340	(70,170)	1,334,170
Contract Compl. & Admin. Hrgs.	951,340	973,240	(49,560)	923,680
Employment & Training	736,240	697,950	845,930	1,543,880
Environmental Management	486,260	497,820	(24,880)	472,940
Internal Audit	494,060	505,320	(38,480)	466,840
Municipal Investigations	538,670	548,200	29,820	578,020
Buildings & Inspections	5,618,450	5,678,640	(230,820)	5,447,820
City Planning	1,211,700	1,228,140	(61,360)	1,166,780
Economic Development	2,063,850	2,299,380	(937,910)	1,361,470
Finance	8,903,720	9,155,070	(457,710)	8,697,360
General Services				
City Facility Management	4,005,780	4,097,230	(152,310)	3,944,920
Regional Computer Center	4,689,700	4,805,770	(240,290)	4,565,480
Health	22,527,550	22,985,220	(359,850)	22,625,370
Human Resources	2,261,690	2,314,240	(115,690)	2,198,550
Law	4,215,860	4,312,100	442,840	4,754,940
Neighborhood Services	7,133,030	7,201,630	(79,440)	7,122,190
Parks	4,846,770	5,004,490	(250,200)	4,754,290
Public Services	21,028,510	21,526,040	(28,570)	21,497,470
Recreation	14,560,480	15,373,710	(767,920)	14,605,790
Safety				
Fire	52,719,750	53,923,290	(284,650)	53,638,640
Police	80,511,960	82,942,770	(252,740)	82,690,030
Safety Director	633,800	642,610	(32,090)	610,520
Transportation and Eng.	1,903,310	1,933,580	(148,750)	1,784,830
TOTAL ALL DEPARTMENTS	\$245,668,970	\$253,073,990	(\$3,281,150)	\$249,792,840
Cincinnati Public Schools	\$5,000,000	\$5,000,000	\$0	\$5,000,000
Cinti Human Relations Comm	444,480	455,480	(455,480)	0
Citizens Committee on Youth	904,790	927,180	(927,180)	0
Employee Benefits & Pensions	52,643,060	54,015,490	2,005,150	56,020,640
Non-Departmental Accounts	2,414,340	2,474,090	1,103,580	3,577,670
Reserve for Contingencies	1,000,000	1,000,000	(500,000)	500,000
TOTAL NON-DEPARTMENTAL	\$62,406,670	\$63,872,240	\$1,226,070	\$65,098,310
GRAND TOTAL	\$308,075,640	\$316,946,230	(\$2,055,080)	\$314,891,150

2002 OPERATING BUDGET UPDATE

2002 GENERAL FUND UPDATE

Changes in General Fund Expenditures for 2002

In this section the recommended changes, including the net \$2.1 million in budget reductions, from the 2002 Approved Budget as shown in the preceding "General Fund Budget Summary – Update" table are described. The reductions are primarily due to the 5% mandated budget cut for 2002.

DEPARTMENTAL

City Council **(\$130,640)**

A decrease of \$114,290 is recommended for the transfer of the salary for the Mayor from City Council to the Office of the Mayor and a decrease of \$16,350 due to an adjustment in Council Members projected salaries, which are based on the salary rate of Hamilton County Commissioners.

Office of the Mayor **\$114,290**

An increase of \$114,290 is recommended to transfer the salary for the Mayor from City Council to the Office of the Mayor.

Office of the City Manager **(\$70,170)**

A decrease of \$56,590 for the elimination of a vacant Senior Administrative Specialist position, a reduction for staff salaries, and a decrease of \$13,580 in various non-personnel services are recommended to balance the budget.

Office of Contract Compliance & Administrative Hearings **(\$49,560)**

An increase of \$12,190 in personnel services offset by a decrease of \$61,750 in various non-personnel services is recommended to balance the budget.

Employment and Training Division **\$845,930**

The personnel services budget is reduced by \$3,520 and the non-personnel services budget is reduced by \$31,370. No FTE were affected by these reductions. The non-personnel services reduction was achieved by making reductions in several of the professional services contracts administered by Employment and Training. Added to the agency's budget for 2002 is the Citizens Committee on Youth's operating contract for \$880,820 which was previously budgeted in a non-departmental account in the 2001/2002 Approved Budget.

Office of Environmental Management **(\$24,880)**

A decrease of \$17,000 due to the non-renewal of the WIN recycling education program, a decrease of \$3,000 for a reduction of matching funds related to the environmental remediation of the Hilton Davis site, and a decrease of \$4,880 in various non-personnel services are recommended to balance the budget.

Internal Audit **(\$38,480)**

A recommended decrease of \$48,480 is related to reduced personnel services offset by a \$10,000 increase in expert services for independent audits.

Office of Municipal Investigations **\$29,820**

An increase of \$28,180 for personnel services due to full staffing, increased merit step payments, and an increase of \$1,640 in non-personnel services are recommended.

Buildings and Inspections Department **(\$230,820)**

The Buildings and Inspections Department budget for personnel services increases by a net amount of \$35,210 after eliminating 3.0 FTE and reducing the position vacancy adjustment. Non-personnel services are reduced by \$266,030 which consists of the elimination of general operating funds for hazard abatement (\$221,160), the reduction in computer rental costs (\$29,640), and other adjustments (\$15,230).

City Planning Department **(\$61,360)**

A decrease of \$32,260 in personnel services for the net savings resulting from the elimination of a Principal Architect position and the addition of a Clerk 1 position. A decrease of \$29,100 in non-personnel expenses is recommended to accommodate the revised 2002 budget target.

Economic Development Department **(\$937,910)**

A decrease of \$17,310 in personnel services for the elimination of a Clerk 1 position is recommended. A reduction in the amount of \$475,000 is recommended for the transfer of previously approved Forgivable Asset-Based Reverse Mortgage (FARM) agreements from the Economic Development Department's budget to a non-departmental account. A reduction in the amount of \$350,000 is recommended for the transfer of approved city funding for the Port of Greater Cincinnati Development Authority from the Economic Development Department's budget to a non-departmental account. A reduction in the amount of \$95,600 is recommended in non-personnel services by reducing outside professional service contracts administered by the Department by 5%.

Finance Department **(\$457,710)**

A \$457,710 reduction in the recommended budget includes a \$217,650 reduction in the personnel budget and a \$240,060 reduction in the non-personnel budget. The recommended personnel budget reduction includes the elimination of 6.0 FTE and is detailed in the "Staffing Plan" section of this report. The recommended non-personnel reductions include decreases in the following: insurance premiums (\$5,300), various contractual services (\$142,260), software licenses (\$50,000), temporary services (\$24,500), equipment (\$7,000), and postage (\$11,000).

General Services Department – City Facility Management Division **(\$152,310)**

An additional \$65,850 is recommended to cover costs associated with enhanced cleaning of City Hall and a 17% increase in the City's street tree assessment. Although natural gas prices are currently falling, expenses in 2002 are still expected to be higher than the amount included in the 2002 Approved Budget, which was based on costs incurred in 2000. An additional \$50,000 is recommended to cover increases in natural gas expenses. These additional expenses are offset by the elimination of three vacant positions (\$123,788), a reduction in contractual services (\$75,000), and a reduction in various non-personnel expenses to meet a 5% decrease in the approved 2002 budget (\$48,172). Additionally, \$21,200 in lump sum retirement payments has been transferred to a non-departmental account.

General Services Department - Regional Computer Center **(\$240,290)**

A budget reduction of \$240,290 is recommended, representing a decrease in the Regional Computer Center's service level for the Wide Area Network (WAN) and the Finance Department computer systems. Connections to the WAN will be delayed to avoid maintenance charges. Access to enterprise-wide systems, such as the Cincinnati Financial System, will be postponed for some City agencies.

Health Department **(\$359,850)**

The recommended Health Department budget reduces the School Nursing Program by \$289,720 in the General Fund (6.4 FTE) and eliminates the Nursing Home Licensure Program by \$190,130 (4.0 FTE). The reduction of 6.4 FTE in the Nursing Program includes a reduction of 4.4 nurse FTE. The 4.4 nurse FTE are offset by the addition of 2 nurse FTE funded from the Empowerment Zone grant. The net reduction of School Nursing Program FTE is 2.4. The Cincinnati Public Schools will be asked to share the cost of the School Nursing Program. To cover the burial of indigent persons in the City of Cincinnati because of a change in State funding to counties, \$120,000 was added to the Department's 2002 budget.

Human Resources Department **(\$115,690)**

The recommended Human Resources Department budget reduces the personnel services budget by \$60,000 (1 Senior Human Resources Analyst FTE) and increases the position vacancy adjustment by \$20,310. Proportional decreases were made in various non-personnel services line items for a total of \$35,380.

Law Department **\$442,840**

A recommended increase of \$442,840 includes a \$705,000 increase in the non-personnel budget and a \$262,160 reduction in the personnel budget. The recommended personnel budget reduction includes the elimination of 2.0 FTE and reduces funding for three legal support positions in anticipation of personnel savings as a result of retirements. The non-personnel budget addition of \$705,000 is a recommended one-time increase for expert services (outside legal counsel) to cover the cost of the following legal issues: U.S. Department of Justice review of the Cincinnati Police Division; police arbitration; racial profiling; civil rights actions related to civil unrest; and special prosecutions.

Neighborhood Services Department **(\$79,440)**

The recommended reduction reflects the elimination of the Office of Consumer Services (\$145,320) and the following funding reductions: the Human Services Policy amount (\$181,950), the Arts Policy amount (\$22,680), the Arts Consortium (\$12,210), Volunteer Cincinnati (\$2,450), the Parental Responsibility contract (\$11,160), the Grassroots Leadership Academy (\$14,410), the Neighborhood Support Program (\$26,260), and miscellaneous funding reductions in the non-Human Services Policy personnel and non-personnel line items (\$95,710). These reductions are offset by the incorporation of the Cincinnati Human Relations Commission budget in the Neighborhood Services Department's operating budget in the amount of \$432,710 which was previously budgeted in a non-departmental account in the 2001/2002 Approved Budget. See Table III, page 14.

The current 2002 Budget Update General Fund revenue estimate of \$308,979,000 results in a Human Services Policy amount of \$4,634,690. The recommended Budget Update 2002 Human Services Policy amount of \$4,617,380 is \$17,310 less than 1.5% of the projected revenue amount, but constitutes a 5% reduction from the 2002 Approved Budget amount of \$4,860,395.

The current 2002 Budget Update General Fund revenue estimate of \$308,979,000 results in an Arts Policy amount of \$432,570. The recommended Budget Update 2002 Arts Policy amount of \$430,960 is \$1,610 less than 0.14% of the projected revenue amount, but constitutes a 5% reduction from the 2002 Approved Budget amount of \$453,640.

Parks Department **(\$250,200)**

A recommended reduction of \$250,200 reflects a change in the scope of services for the Nature Education and Centers Program. Currently, the program provides various nature programs for students attending Cincinnati Public Schools including public weekend programs, school field trips, day camps, after school programs, outreach programs (libraries, CRC, churches, etc.), special events, and workshops. The recommended program is limited to school field trips and after school programs. The recommendation includes the elimination of 6.8 FTE from the General Fund: (1) Parks Operations Supervisor, (2) Park Naturalists, and (3.8) part-time Parks/Recreation Program Leaders and Recreation Specialists positions.

Public Services Department **(\$28,570)**

The recommended reduction of \$28,570 is the net change related to an increase of \$720,190 in non-personnel services and a reduction of \$748,760 in personnel services. The non-personnel services budget increase includes contractual services, fleet repairs, and street lighting gas and electric. The personnel services budget reduction of \$748,760 is related to a net decrease of 26.0 FTE positions. This net decrease is comprised of a shift of 24.0 FTE to various restricted funds and the elimination of two full-time Electrical Maintenance Worker positions.

Recreation Department **(\$767,920)**

A recommended reduction of \$767,920 reflects the elimination of the following positions: 1 Administrative Technician (\$38,630); 1 Senior Administrative Specialist (\$60,500); 1 Parks/Recreation Programming Coordinator (\$39,340); 1 Employment/Training Supervisor (\$73,680); 1 Accounting Technician (\$36,920); 3 Community Center Directors (\$104,940); 1 Turf Manager (\$40,360); and 2 Laborers (\$60,520). Other reductions include the transfer of the Volunteer Services contract to the Capital Improvement Playground account which includes the elimination 1.0 FTE (\$40,000); elimination of delivery services for cleaning, maintenance, and art and crafts supplies to community centers (\$15,000); closing of 6 pools which includes the elimination of 8.0 FTE (\$87,420); transfer of General Fund support for various recreation center activities to the Special Activities Fund 323 (\$146,000) which includes a transfer of 9.4 FTE to the Special Activities Fund; and the transfer of General Fund support of Technical Services salaries to capital project accounts (\$24,610).

Safety Department – Fire Division **(\$284,650)**

A recommended reduction of \$453,410 reflects a change in sworn staffing costs because of lower than expected beginning strength.

An additional \$263,940 is recommended for an increase in certification pay, \$48,450 for increased sworn strength longevity pay, and \$98,160 for increased sworn strength sick-with-pay buyback. These increases were negotiated in the Labor Agreement with the Cincinnati Fire Fighter's Union Local 48. A reduction of \$70,760 is recommended for the elimination of funds designated for the Firehouse cleaning contract. These funds offset the increase in sworn strength longevity payments per the negotiated contract.

An additional \$25,000 is recommended for annual stipend payments for each Assistant Fire Chief and the Fire Chief. An additional amount of \$56,850 will fund a Fire Lieutenant position to be dedicated to training and preparation activities related to weapons of mass destruction and emergency preparedness. A reduction of \$10,750 is for the elimination of a Municipal Facility Worker (T-Cap) position. This position

was added during 1996 to create an intern position to be filled with a student from the Cincinnati Youth Collaborative T-Cap Program. The student was to be hired for 18 months. The Fire Division has not filled this position since 1998.

A reduction of \$315,080 is recommended due to lower projected costs for fleet repairs and maintenance, fuel, and wearing apparel.

One-time funding is recommended in the amounts of \$67,950 for the conversion of an engine company to a paramedic engine company at Firehouse 49 in Madisonville and \$5,000 for the Fire Division's 150th Anniversary Celebration.

FIRE DIVISION SWORN STRENGTH
(In Full-Time Equivalent Positions)

	2001 Budget	2001 Projected	2002 Approved	2002 Update
Authorized Strength	787	787	787	787
Annual Average Sworn Strength	803	801	796	795

The approved 2002 personnel budget was based on a projected annual average sworn strength of 796. Based on the recommendation, the annual average sworn strength is projected to be 795 in the 2002 Budget Update. This is 8 more than the authorized strength of 787 as established by the City Council.

Safety Department – Police Division **(\$252,740)**

A decrease of \$362,450 due to a change in sworn staffing costs is recommended. The estimated beginning strength is 23 less than the approved beginning strength due to a delay in the graduation of the 2001 recruit class and additional retirements in 2001. This is offset by an increase of \$44,480 for an increase in the Police Recruit class size in 2002.

A recommended decrease of \$78,880 in personnel services for vacant E911 Operator positions is offset by an increase of \$23,900 for overtime for E911 personnel.

An increase of \$219,090 in reimbursements related to Local Law Enforcement Block Grant (LLEBG) Police Visibility Overtime and DARE grants is recommended.

A decrease of \$759,340 due to the elimination of the contribution to the Police Comp Time Reserve account is offset by an increase of \$20,600 for various non-personnel services.

Increases in personnel services of \$133,220 for lump sum retirement payments and gross pay adjustments; \$585,640 for certification pay, annual stipend payments to the Police Chief and Assistant Police Chiefs, and compensatory time buyback; and \$3,080 for increased sworn strength shift differential. These increases are offset by decreases of \$60,090 in longevity payments and \$39,440 in reduced lump sum retirement payments for non-sworn staffing.

A decrease of \$16,000 in personnel services results from the elimination of 3 Municipal Facility Worker (T-Cap) positions. These positions were added during 1996 to create intern positions to be filled with

students from the Cincinnati Youth Collaborative T-Cap Program. These students were to be hired for 18 months. The Police Division has not filled these positions on a regular basis since 1999.

An increase of \$327,430 in personnel services and \$144,200 in non-personnel services for the salaries and equipment of 30 additional Police Recruits is included in the Budget Update per City Council direction.

POLICE DIVISION SWORN STRENGTH
(In Full-Time Equivalent Positions)

	2001 Budget	2001 Projected	2002 Approved	2002 Update
Authorized Strength	1,000	1,000	1,000	1,000
Annual Average Sworn Strength	1,004	1,007	1,004	1,005
Summer Sworn Strength	1,012	1,017	1,011	1,016

The approved 2002 personnel budget was based on a projected annual average sworn strength of 1,004 and the 2002 annual average sworn strength is projected to be 1,005 in the 2002 Budget Update. This is 5 more than the authorized sworn strength of 1,000. This level of staffing provides for a summer sworn strength of 1,016, or 16 over the authorized sworn strength.

Safety Department – Safety Director **(\$32,090)**

A reduction of \$12,400 is recommended due to lower entry salaries. A recommended reduction of \$19,690 reflects non-personnel savings primarily achieved from funds designated in 2001 for the redesign of the Safety Director's Office.

Transportation and Engineering Department **(\$148,750)**

The recommended decrease of \$148,750 includes a personnel services reduction of \$125,220 and a non-personnel reduction of \$23,530. The personnel services net reduction of \$125,220 relates to the shift of a position to the Restricted Fund Budget and an increase in project reimbursements. A recommended non-personnel services decrease of \$23,530 is related to reductions for expert services, fleet repairs, fuel, office rent, office and drafting supplies, telephones, tuition reimbursements, and subscriptions.

NON-DEPARTMENTAL

Cincinnati Human Relations Commission **(\$455,480)**

This reflects the transfer of funding for the Cincinnati Human Relations Commission's operating contract of \$432,710 to the Neighborhood Services Department for 2002. The reduction amount of \$22,770 reflects the 5% mandated budget reduction for 2002.

Citizens Committee on Youth**(\$927,180)**

This reflects the transfer of funding for the Citizens Committee on Youth's operating contract of \$880,820 to the Employment and Training Division for 2002. The reduction amount of \$46,360 reflects the 5% mandated budget reduction for 2002.

Employee Benefits and Pensions**\$2,005,150**

The recommended net increase in Employee Benefits and Pensions is primarily the result of higher cost health insurance of \$3,472,500 and lump sum retirement payment costs of \$850,000 budgeted in an employee benefit and pension account. These increases are offset by a net decrease of \$2,317,350 in other benefit and pension accounts combined.

Other Non-Departmental Accounts**\$1,103,580**

The recommended net increase is primarily the result of transferring the Forgivable Asset-Based Reverse Mortgage (FARM) and Property Investment Reimbursement agreements and the Port of Greater Cincinnati Development Authority funding from the Economic Development Department's budget to non-departmental accounts. The FARM agreements are recommended at \$884,000, which is increased by \$409,000 over the 2002 Approved Budget. The Port of Greater Cincinnati Development Authority is recommended at \$350,000 which reflects no change from the 2002 Approved Budget. The increase related to these transfers into the Non-Departmental Account are offset by 5% reductions, which total \$130,420, in other non-departmental accounts.

Reserve for Contingencies**(\$500,000)**

The recommended 2002 Reserve for Contingencies budget is \$500,000 less than the 2002 Approved Budget amount of \$1,000,000. An amount of \$300,000 was transferred to the Law Department to fund Justice Department Legal Fees and \$200,000 was transferred to cover a portion of the additional need for the FARM agreements. The reserve account does not include any earmarks in the 2002 Update Budget.

TABLE III. NON-HUMAN SERVICES POLICY PROFESSIONAL CONTRACTS

	2002 Approved Budget	2002 Recommended Update	% Change
City Manager - Employment and Training			
Citizens Committee on Youth	927,180	880,820	-5%
Economic Development Department			
Greater Cincinnati Film Commission	60,000	57,000	-5%
Sister Cities Association	24,030	22,830	-5%
Greater Cincinnati Chamber of Commerce*	80,000	76,000	-5%
Regional Marketing Partnership	100,000	95,000	-5%
International Visitors Council	18,000	17,100	-5%
African American Chamber of Commerce	200,000	190,000	-5%
Ujima Cincibraton	150,000	142,500	-5%
Riverfront Classic & Jamboree	100,000	95,000	-5%
Neighborhood Services			
Cincinnati Human Relations Commission	455,480	432,710	-5%
Volunteer Cincinnati	49,030	46,580	-5%
Parental Responsibility Program	223,160	212,000	-5%
Arts Consortium	244,070	231,860	-5%
Grassroots Leadership Academy	288,250	273,840	-5%
NSP - (Only Reduced Administration)	658,010	631,750	-4%
Safety Department - Director's Office			
Flying Pig Marathon	30,000	28,500	-5%
* Includes \$20K Min.Bus.Mentoring; \$100K Regional Mktg Partnership; \$80K Operating Support, in 2002 the Minority Business Mentoring Program (\$20K) is funded with CDBG Funds			

2002 OPERATING BUDGET UPDATE

2002 RESTRICTED FUNDS UPDATE

The tables titled “Appropriated Restricted Funds 2002 Budget Update” at the end of this section show that all the appropriated Restricted Funds will be balanced to resources in 2002.

Changes in Appropriated Restricted Fund Revenue Estimates for 2002

Although all the Restricted Funds are balanced, there are some noteworthy changes in the revenue estimates and recommended expenditures for 2002 compared to the approved 2002 budget.

The **Water Works Fund** revenue estimate has been decreased from \$94.1 million to \$89.9 million in the 2002 Operating Budget Update. The decrease of \$4.2 million is related to a wet 2001 summer resulting in flat revenues. As previously presented to the City Council, a 3% Water Works rate increase is recommended for 2002.

The **Parking System Facilities Fund** revenue estimate has been decreased by \$735,000 from \$9.16 million to \$8.425 million in the 2002 Operating Budget Update. Revenue from downtown parking garages has been less than originally estimated for 2001, and that trend is expected to continue in 2002. Additionally, portions of the Fountain Square South Garage will be closed in 2002 due to renovation, further reducing revenue.

The **Convention Center Fund** revenue estimate has been decreased by \$900,000 from \$5 million to \$4.1 million in the 2002 Operating Budget Update. While the number of events at the Convention Center has remained fairly constant over the past several years, revenue generated per event has declined dramatically. This trend is expected to continue in 2002.

The **General Aviation Fund** revenue estimate has been increased by \$62,000, from the 2002 Approved Budget revenue estimate of \$1.538 million to the 2002 Budget Update revenue estimate of \$1.6 million. This \$62,000 increase is related to additional revenue from updated lease agreements at Lunken Airport.

The **Municipal Golf Fund** revenue estimate has been decreased by \$578,000 from the 2002 Approved Budget revenue estimate of \$7.278 million to the 2002 Update Budget revenue estimate of \$6.7 million. The estimated decrease is based on 2001 experience.

The **Stormwater Management Fund** revenue estimate has been increased by \$100,000 from \$7.6 million to \$7.7 million to reflect projected 2001 revenue.

The **Street Construction, Maintenance, and Repair Fund** revenue estimate has been decreased from \$8.277 million to \$8 million. The \$277,000 decrease is based on other local jurisdictions receiving a proportionally greater share of the state portion of motor vehicle license tax and gasoline taxes from the State of Ohio due to more accurate residency information being available on licensees.

The **Municipal Motor Vehicle License Tax Fund** revenue estimate has been decreased by \$233,000, from the 2002 Approved Budget revenue estimate of \$2.983 million to the 2002 Budget Update revenue estimate of \$2.75 million. This \$233,000 decrease is based on other local jurisdictions receiving a proportionally greater share of the local portion of motor vehicle license tax and gasoline taxes from the State of Ohio due to more accurate residency information being available on licensees.

The **Recreation Special Activities Fund** revenue estimate has been increased by \$100,000 from \$2.9 million to \$3 million in the 2002 Operating Budget Update due to increases in membership fees, center fees, and the opening of two new recreation centers.

The **Health Services Fund** revenue estimate has been increased from \$2.7 million to \$3 million in the 2002 Operating Budget Update. The increase of \$300,000 is almost entirely due to increased Medicaid revenue from the State of Ohio for the Children's Health Program, which is expected to continue in the near term. Receipts for managed care have increased modestly. This is due to the State of Ohio's policy of automatically assigning new Medicaid patients to the managed care program. This policy has the potential to negatively affect future Medicaid revenue for the City.

The **Cable Communications Fund** revenue estimate of \$2.575 million has been increased in the 2002 Operating Budget Update by \$50,000 over the 2002 Approved Budget revenue estimate of \$2.525 million. Subscription rates for cable service and high-speed Internet access have increased.

The **Metropolitan Sewer District (MSD) Fund** revenue estimate has been decreased by \$340,000 from \$132.5 million to \$132.2 million in the 2002 Operating Budget Update to reflect projected 2001 revenue. A 6% rate increase was included in the 2002 Approved Budget and is recommended.

The **Income Tax-Transit Fund** revenue estimate has been decreased by \$2.5 million from the 2002 Approved Budget revenue estimate of \$40.0 million to the 2002 Budget Update revenue estimate of \$37.5 million. This decrease is based on an estimated reduction in the City Income Tax.

Changes in Appropriated Restricted Fund Expenditures for 2002

The \$393 million 2002 Appropriated Restricted Fund Budget Update recommendation represents an increase of \$5.5 million, or 1.4% , from the 2002 Approved Budget of \$387.5 million primarily due to increases in the Bond Retirement Fund and the Metropolitan Sewer District (MSD) Fund. The following table titled "Operating Budgets by Fund – Update" lists the recommended budget update expenditure budgets by fund compared to the 2002 Approved Budget. The table is followed by a description of the recommended departmental and non-departmental expenditure changes for each appropriated restricted fund.

Changes in Non-Appropriated Restricted Fund Expenditures for 2002

At the bottom of the "Operating Budgets by Fund - Update" table is a total for non-appropriated restricted fund operating budgets. Non-appropriated funds have ongoing authorization for expenditures within realized resources by virtue of their enabling legislation. The budgets are based on resources and are determined administratively without requiring the passage of appropriation ordinances.

The recommended 2002 Non-Appropriated Restricted Funds are decreased from \$22.8 million to \$19.7 million, primarily due to a \$3.1 million decrease of funding from the State of Ohio for jobs training programs previously included in TANF Fund 463.

Operating Budgets by Fund - Update

Fund	Fund Name	2001 Approved Budget	2002 Approved Budget	2002 Recommended Change	2002 Recommended Update
050	General Fund	308,075,640	316,946,230	(2,055,090)	314,891,140
101	Water Works	82,165,670	86,086,350	(321,920)	85,764,430
102	Parking Facilities	6,526,020	6,664,690	(96,390)	6,568,300
103	Convention Center	5,424,320	5,553,420	(151,930)	5,401,490
104	General Aviation	1,386,380	1,403,170	7,170	1,410,340
105	Municipal Golf	6,176,520	6,312,560	14,950	6,327,510
107	Stormwater Management	6,023,700	5,997,540	303,610	6,301,150
151	Bond Retirement	51,842,360	51,860,390	7,879,740	59,740,130
301	Street Construction	8,033,440	8,221,540	130,660	8,352,200
302	Income Tax-Infrastructure	13,671,710	13,971,370	(439,530)	13,531,840
303	Parking Meter	731,240	749,340	20,530	769,870
304	Community Dev Block Grant	3,039,630	3,039,630	(58,260)	2,981,370
306	Motor Vehicle License Tax	2,849,860	2,918,650	(94,740)	2,823,910
318	Sawyer Point	1,128,920	1,156,230	(20,620)	1,135,610
323	Recreation Special Activities	2,956,350	3,025,920	123,910	3,149,830
395	Health Services	2,998,650	3,070,970	25,510	3,096,480
424	Cable Communications	1,713,830	1,700,710	79,360	1,780,070
701	Metropolitan Sewer District	122,631,370	125,748,940	3,251,050	128,999,990
759	Income Tax Transit	38,594,860	40,246,540	(2,159,870)	38,086,670
APPROPRIATED RESTRICTED		\$357,894,830	\$367,727,960	\$8,493,230	\$376,221,190
NON-APPROPRIATED RESTRICTED		\$22,300,070	\$22,836,920	(\$3,100,570)	\$19,736,350
RESTRICTED FUNDS TOTAL		\$380,194,900	\$390,564,880	\$5,392,660	\$395,957,540
TOTAL ALL FUNDS		\$688,270,540	\$707,511,110	\$3,337,570	\$710,848,680

Note: Community Development Block Grant Fund 304 amounts included above are not included within the Operating Budget Section of the All Funds Budget on page 1.

Changes in APPROPRIATED RESTRICTED FUNDS Expenditures for 2002

WATER WORKS FUND 101

(\$321,920)

The Water Works expenditure recommendation has been decreased by \$321,920 from \$86.1 million to \$85.8 million. Additional amounts are recommended as follows: \$325,000 for regulatory requirement studies related to Ultra Violet disinfection and Ultra Filtration, Parasite removal, and biofilm analysis; \$52,000 for CAGIS Digital Ortho Photography flyover; \$232,550 for inflationary pressures on natural gas and caustic soda; and \$427,060 for employee benefits and General Fund overhead. A decrease of \$1.4 million is recommended for debt service in 2002.

PARKING FACILITIES FUND 102

(\$96,390)

The Parking Facilities expenditure recommendation has been decreased by \$96,390 from \$6.7 million to \$6.6 million. A decrease of \$17,750 in non-personnel expenses is recommended for reductions in fuel costs, traffic control supplies, training costs, office supplies, and other non-personnel expenses. Debt service is reduced by \$152,120, while the recommendations for employee benefits/pensions and General Fund overhead are increased by \$66,760 and \$9,200, respectively. A reduction of \$2,480 in other non-departmental accounts is also recommended.

CONVENTION CENTER FUND 103

(\$151,930)

The Convention Center expenditure recommendation has been decreased by \$151,930 from \$5.6 million to \$5.4 million. The following reductions are recommended in non-personnel expenses: \$126,490 (Security Guard Services); \$51,500 (Temporary Personnel Services); \$25,000 (Sundry Contractual Services); and \$8,300 in other non-personnel expenses. These reductions are offset by a recommended increase of \$32,800 in personnel costs for merit-step increases and wage increases which exceed the wage increase included in the 2002 Approved Budget. The recommended non-departmental expenses are increased by \$1,680 for employee benefits/pensions and \$24,880 for General Fund overhead.

GENERAL AVIATION FUND 104

\$7,170

The General Aviation expenditure recommendation has been increased by \$7,170 from \$1.403 million to \$1.41 million. This recommended increase is related to a \$9,590 increase for employee benefits, which is offset by a \$2,420 reduction for General Fund overhead.

MUNICIPAL GOLF FUND 105

\$14,950

The Municipal Golf expenditure recommendation has been increased by \$14,950 from \$6.313 million to \$6.328 million. An increase of \$15,240 is recommended for employee benefits and General Fund overhead. A decrease of \$18,530 is recommended for debt service payments on existing bonded debt. This decrease is offset by an increase in non-personnel of \$18,240 for supplies and materials.

STORMWATER MANAGEMENT FUND 107

\$303,610

The Stormwater Management expenditure recommendation has been increased by \$303,610 from \$6 million to \$6.3 million. An additional \$351,190 is recommended for remedial stormwater sewer repair. A decrease of \$47,580 is recommended for employee benefits and General Fund overhead.

BOND RETIREMENT FUND 151**\$7,879,740**

The Bond Retirement expenditure recommendation has been increased by \$7.9 million from \$51.9 million to \$59.8 million. This recommended increase includes a \$7.8 million amount for debt service and a \$79,740 increase in the departmental operating budget. The \$7.8 million addition for debt service is recommended to accommodate a revised estimate of debt service. The recommended \$79,740 in departmental operating expense is intended to improve the debt management process through the acquisition of software and financial advisor services.

STREET CONSTRUCTION, MAINTENANCE, AND REPAIR FUND 301**\$130,660**

The Street Construction expenditure recommendation has been increased by \$130,660 from \$8.2 million to \$8.3 million. An increase of \$130,660 is recommended for increased employee benefits.

INCOME TAX INFRASTRUCTURE FUND 302**(\$439,530)**

The Income Tax Infrastructure expenditure recommendation has been decreased by \$439,530 from \$14 million to \$13.5 million. This recommended decrease is primarily related to the net impact of transferring the Crack and Slurry Seal Program from the Public Services Department to the Transportation and Engineering Department. This transfer decreases Public Services' recommended Income Tax Infrastructure operating budget by \$1,228,730 and increases Transportation and Engineering's recommended Income Tax Infrastructure operating budget by \$800,000. The balance of the recommended reductions totaling \$10,800 for the Income Tax Infrastructure Fund are related to reductions of non-personnel services in the Transportation and Engineering Department and the Public Services Department. These reductions are offset by increases in employee benefits and General Fund overhead. Also recommended is a \$200,000 reserve in the fund balance for implementation of a new infrastructure accounting requirement #34 from the Government Accounting Standards Board.

PARKING METER FUND 303**\$20,530**

The Parking Meter expenditure recommendation has been increased by \$20,530 from \$749,000 to \$770,000. An additional \$39,950 is recommended for employee benefits. This \$39,950 increase is partially offset by a \$19,420 reduction to the Public Services Department's non-personnel operating budget. The recommended reduction is primarily for traffic signal energy and maintenance expenses.

MOTOR VEHICLE LICENSE TAX FUND 306**(\$94,740)**

The Motor Vehicle License Tax expenditure recommendation has been decreased by \$94,740 from \$2.9 million to \$2.8 million. This decrease is comprised of a \$103,860 recommended reduction to the Public Services Department's non-personnel operating budget related to fleet repairs, fuel, and ice control supplies. The recommended Public Services Department's decrease of \$103,860 is offset by a \$9,120 increase for employee benefits and General Fund overhead.

SAWYER POINT FUND 318**(\$20,620)**

The Sawyer Point expenditure recommendation has been decreased by \$20,620 from \$1.156 million to \$1.136 million. A reduction of \$8,210 in employee benefits and \$12,410 in General Fund overhead is recommended.

RECREATION SPECIAL ACTIVITIES FUND 323**\$123,910**

The Recreation Special Activities expenditure recommendation has been increased by \$123,910 from \$3 million to \$3.1 million. An additional \$123,910 is recommended to fund part-time staff positions at community centers and swimming pools which were reduced in the General Fund. Higher revenues are anticipated from membership and center fees to support this increase.

HEALTH SERVICES FUND 395**\$25,510**

The Health Services expenditure recommendation has been increased by \$25,510 from \$3.071 million to \$3.097 million. An increase of \$39,180 is recommended for increased personnel services, which is offset by a decrease of \$39,150 for non-personnel services. A decrease of \$10,030 is recommended for employee benefits, while an increase of \$35,510 is recommended for General Fund overhead.

CABLE COMMUNICATIONS FUND 424**\$79,360**

The Cable Communications expenditure recommendation has been increased by \$79,360 from \$1.701 million to \$1.78 million. An increase of \$24,000 is recommended in non-personnel expenses for video streaming for CitiCable on personal computers. An additional \$3,180 is recommended in personnel expenses for merit-step increases for two Radio Operator Technicians in the Police Division. An increase of \$53,520 is recommended for employee benefits/pensions, while the recommendation for the General Fund overhead is decreased by \$1,340.

METROPOLITAN SEWER DISTRICT (MSD) FUND 701**\$3,251,050**

The MSD expenditure recommendation has been increased by \$3.3 million from \$125.7 million to \$129 million. An additional \$2,102,310 is recommended for debt service, and \$1,166,724 for employee benefits and General Fund overhead. A net decrease of \$17,984 is recommended in personnel and non-personnel.

INCOME TAX TRANSIT FUND 759**(\$2,159,870)**

The Income Tax Transit expenditure recommendation has been decreased by \$2.2 million from \$40.2 million to \$38 million. This decrease is related to a \$2,022,700 recommended reduction for the SORTA budget, an \$18,200 reduction in the Division of Budget and Evaluation's personnel services budget related to staff reimbursements, and a \$118,970 reduction in employee benefits and General Fund overhead. The recommended decrease is the result of an estimated reduction in City Income Tax revenue.

Appropriated Restricted Funds 2002 Budget Update

(In \$000s)	2001 Approved	2002 Approved	2002 Update
Water Works - Fund 101			
Revenue	90,096	94,109	89,950
Prior Year Cancellations			
Prior Year Carryover	<u>45,033</u>	<u>43,667</u>	<u>43,703</u>
Resources	135,129	137,776	133,653
Operating Expenditures	82,166	86,086	85,764
Transfers to Capital	<u>9,296</u>	<u>12,522</u>	<u>12,522</u>
Resources Minus Expenditures	43,667	39,168	35,367
Parking System Facilities - Fund 102			
Revenue	9,020	9,160	8,425
Transfers In			
Prior Year Cancellations			
Prior Year Carryover	<u>3,900</u>	<u>5,754</u>	<u>1,734</u>
Resources	12,920	14,914	10,159
Operating Expenditures	6,526	6,665	6,568
Transfers to Capital	<u>640</u>	<u>950</u>	<u>1,837</u>
Resources Minus Expenditures	5,754	7,299	1,754
Convention Center - Fund 103			
Revenue	5,000	5,000	4,100
Prior Year Cancellations			
Prior Year Carryover	<u>2,726</u>	<u>2,302</u>	<u>1,302</u>
Resources	7,726	7,302	5,402
Operating Expenditures	<u>5,424</u>	<u>5,553</u>	<u>5,402</u>
Resources Minus Expenditures	2,302	1,749	0
General Aviation - Fund 104			
Revenue	1,500	1,538	1,600
Transfers In			
Prior Year Cancellations			
Prior Year Carryover	<u>1,572</u>	<u>1,040</u>	<u>964</u>
Resources	3,072	2,578	2,564
Operating Expenditures	1,386	1,403	1,410
Transfers to Capital	<u>646</u>	<u>435</u>	<u>515</u>
Resources Minus Expenditures	1,040	740	639

Appropriated Restricted Funds 2002 Budget Update

(In \$000s)	2001 Approved	2002 Approved	2002 Update
Municipal Golf - Fund 105			
Revenue	7,100	7,278	6,700
Transfers In			
Prior Year Cancellations			
Prior Year Carryover	<u>1,283</u>	<u>1,988</u>	<u>486</u>
Resources	8,383	9,266	7,186
Operating Expenditures	6,177	6,313	6,328
Transfers to Capital			
Incentive Fee	218	218	218
Resources Minus Expenditures	1,988	2,735	640
Stormwater Management Utility - Fund 107			
Revenue	7,600	7,600	7,700
Transfers In			143
Prior Year Cancellations			
Prior Year Carryover	<u>2,630</u>	<u>2,230</u>	<u>4,200</u>
Resources	10,230	9,830	12,043
Operating Expenditures	6,024	5,998	6,301
Transfers to Capital	1,976	2,000	3,300
Resources Minus Expenditures	2,230	1,832	2,442
Bond Retirement - Fund 151			
Revenue	51,842	51,860	59,740
Prior Year Carryover	<u>250</u>	<u>250</u>	<u>250</u>
Resources	52,092	52,110	59,990
Operating Expenditures	51,842	51,860	59,740
Resources Minus Expenditures	250	250	250
Street Construction, Maintenance, and Repair - Fund 301			
Revenue	8,075	8,277	8,000
Prior Year Cancellations			
Prior Year Carryover	<u>1,485</u>	<u>1,527</u>	<u>1,302</u>
Resources	9,560	9,804	9,302
Operating Expenditures	8,033	8,222	8,352
Resources Minus Expenditures	1,527	1,582	950

Appropriated Restricted Funds 2002 Budget Update

(In \$000s)	2001 Approved	2002 Approved	2002 Update
Income Tax-Infrastructure - Fund 302			
Revenue	13,313	13,620	12,686
Prior Year Cancellations			
Prior Year Carryover	<u>7,698</u>	<u>7,139</u>	<u>6,737</u>
Resources	21,011	20,759	19,423
Operating Expenditures	13,672	13,971	13,532
Transfers to Capital	200		
Resources Minus Expenditures	7,139	6,788	5,891
Parking Meter - Fund 303			
Revenue	868	888	888
Prior Year Cancellations			
Prior Year Carryover	<u>1,806</u>	<u>1,943</u>	<u>1,943</u>
Resources	2,674	2,831	2,831
Operating Expenditures	731	749	770
Transfers to Capital			
Resources Minus Expenditures	1,943	2,082	2,061
Municipal Motor Vehicle License Tax - Fund 306			
Revenue	2,910	2,983	2,750
Prior Year Cancellations			
Prior Year Carryover	<u>487</u>	<u>547</u>	<u>440</u>
Resources	3,397	3,530	3,190
Operating Expenditures	2,850	2,919	2,824
Resources Minus Expenditures	547	611	366
Sawyer Point - Fund 318			
Revenue	1,100	1,128	1,100
Prior Year Cancellations			
Prior Year Carryover	<u>519</u>	<u>490</u>	<u>719</u>
Resources	1,619	1,618	1,819
Operating Expenditures	1,129	1,156	1,136
Resources Minus Expenditures	490	462	683

Appropriated Restricted Funds 2002 Budget Update

(In \$000s)	2001 Approved	2002 Approved	2002 Update
Recreation Special Activities - Fund 323			
Revenue	2,850	2,921	3,050
Transfers In			
Prior Year Cancellations			
Prior Year Carryover	<u>749</u>	<u>643</u>	<u>531</u>
Resources	3,599	3,564	3,581
Operating Expenditures	2,956	3,026	3,150
Transfers to Capital			
Resources Minus Expenditures	643	538	431
Health Services - Fund 395			
Revenue	2,700	2,700	3,000
Prior Year Cancellations			
Prior Year Carryover	<u>553</u>	<u>254</u>	<u>468</u>
Resources	3,253	2,954	3,468
Operating Expenditures	2,999	3,071	3,097
Resources Minus Expenditures	254	(117)	371
Cable Communications - Fund 424			
Revenue	2,450	2,525	2,575
Transfers In	1,500		
Prior Year Cancellations			
Prior Year Carryover	<u>1,513</u>	<u>2,749</u>	<u>3,749</u>
Resources	5,463	5,274	6,324
Operating Expenditures	1,714	1,701	1,780
Transfers Out			
Transfers to Capital	1,000	1,000	2,881
Resources Minus Expenditures	2,749	2,573	1,663

Appropriated Restricted Funds 2002 Budget Update

(In \$000s)	2001 Approved	2002 Approved	2002 Update
Metropolitan Sewer District - Fund 701			
Revenue	124,644	132,506	132,166
Prior Year Cancellations			
Prior Year Carryover	<u>0</u>	<u>0</u>	<u>0</u>
Resources	124,644	132,506	132,166
Operating Expenditures	<u>122,631</u>	<u>125,749</u>	<u>129,000</u>
Resources Minus Expenditures	2,013	6,757	3,166
Transfers to Capital Reserves	2,013	6,757	3,166
Revenue Minus Expense & Transfers	0	0	0
Income Tax-Transit - Fund 759			
Revenue	39,112	40,013	37,487
Prior Year Cancellations			
Prior Year Carryover	<u>8,500</u>	<u>8,232</u>	<u>5,870</u>
Resources	47,612	48,245	43,357
Operating Expenditures	38,595	40,247	38,087
Transfers to Capital	<u>785</u>	<u>150</u>	<u>100</u>
Resources Minus Expenditures	8,232	7,848	5,170

Staffing Plan - Update

	General Fund			Other Funds			All Funds		
	2000	2001	2002	2000	2001	2002	2000	2001	2002
City Council	25.0	28.0	27.0				25.0	28.0	27.0
Office of the Mayor	5.0	5.0	6.0				5.0	5.0	6.0
Clerk of Council	7.0	7.0	7.0				7.0	7.0	7.0
City Manager									
City Manager	13.0	13.0	12.0				13.0	13.0	12.0
Contract Compl. & Admin. Hrgs.	16.2	15.2	15.2	1.0	1.0	1.0	17.2	16.2	16.2
Employment & Training		1.9	1.4	5.7	3.8	4.4	5.7	5.7	5.7
Environmental Management	4.0	4.0	4.0	11.0	11.0	11.0	15.0	15.0	15.0
Internal Audit	6.0	8.0	8.0				6.0	8.0	8.0
Municipal Investigations	10.0	10.0	10.0				10.0	10.0	10.0
Buildings & Inspections	115.1	111.1	107.1	0.9	0.9	0.9	116.0	112.0	108.0
City Planning	21.0	20.5	20.5	6.5	6.0	5.0	27.5	26.5	25.5
Economic Development	23.5	21.5	21.0				23.5	21.5	21.0
Finance	146.0	141.0	135.0	51.2	54.2	55.0	197.2	195.2	190.0
General Services									
City Facility Management	40.0	50.0	36.0	14.0	13.0	24.0	54.0	63.0	60.0
Convention Center				90.8	86.4	78.4	90.8	86.4	78.4
Fleet Services				86.0	86.0	86.0	86.0	86.0	86.0
General Aviation				12.5	12.5		12.5	12.5	
General Services Director				3.0	3.0	4.0	3.0	3.0	4.0
Office of Cable Communications				6.0	6.0	6.0	6.0	6.0	6.0
Parking Facilities				79.6	70.6	70.6	79.6	70.6	70.6
Regional Computer Center				202.0	202.8	203.8	202.0	202.8	203.8
Health	385.2	378.6	367.8	165.4	166.0	170.2	550.6	544.6	538.0
Human Resources	31.2	34.2	34.2	3.0	3.0	3.0	34.2	37.2	37.2
Law	79.0	79.0	77.0	6.5	6.5	6.5	85.5	85.5	83.5
Neighborhood Services	21.6	20.5	18.5	26.9	26.0	25.0	48.5	46.5	43.5
Parks	118.3	114.3	107.5	43.8	43.8	43.8	162.1	158.1	151.3
Public Services	317.5	326.5	300.5	242.9	220.9	244.9	560.4	547.4	545.4
Recreation	485.1	370.4	363.8	32.7	93.1	102.5	517.8	463.5	466.3
Safety									
Fire	842.5	842.5	842.0				842.5	842.5	842.0
Police	1,343.4	1,337.4	1,332.4		2.0	2.0	1,343.4	1,339.4	1,334.4
Safety Director	7.5	6.5	6.5				7.5	6.5	6.5
Sewers				769.0	753.0	752.0	769.0	753.0	752.0
Transportation and Eng.	96.0	93.0	92.0	70.0	71.0	83.5	166.0	164.0	175.5
Water Works				641.6	634.8	634.8	641.6	634.8	634.8
TOTAL	4,159.1	4,039.1	3,952.3	2,572.0	2,577.3	2,618.2	6,731.1	6,616.4	6,570.5
Police Sworn	1,000.0	1,000.0	1,000.0				1,000.0	1,000.0	1,000.0
Fire Sworn	787.0	787.0	787.0				787.0	787.0	787.0
Non-Sworn	2,372.1	2,252.1	2,165.3	2,572.0	2,577.3	2,618.2	4,944.1	4,829.4	4,783.5

Staffing Plan - Update Changes

	General Fund			Other Funds			All Funds		
	2002 Approved	2002 Recomm	Recomm Change	2002 Approved	2002 Recomm	Recomm Change	2002 Approved	2002 Recomm	Recomm Change
City Council	28.0	27.0	-1.0				28.0	27.0	-1.0
Office of the Mayor	5.0	6.0	1.0				5.0	6.0	1.0
Clerk of Council	7.0	7.0	0.0				7.0	7.0	0.0
City Manager									
City Manager	13.0	12.0	-1.0				13.0	12.0	-1.0
Contract Compl. & Admin. Hrgs.	15.2	15.2	0.0	1.0	1.0	0.0	16.2	16.2	0.0
Employment & Training	1.9	1.4	-0.6	3.8	4.4	0.6	5.7	5.7	0.0
Environmental Management	4.0	4.0	0.0	11.0	11.0	0.0	15.0	15.0	0.0
Internal Audit	8.0	8.0	0.0				8.0	8.0	0.0
Municipal Investigations	10.0	10.0	0.0				10.0	10.0	0.0
Buildings & Inspections	110.1	107.1	-3.0	0.9	0.9	0.0	111.0	108.0	-3.0
City Planning	20.5	20.5	0.0	6.0	5.0	-1.0	26.5	25.5	-1.0
Economic Development	21.5	21.0	-0.5				21.5	21.0	-0.5
Finance	141.0	135.0	-6.0	54.2	55.0	0.8	195.2	190.0	-5.2
General Services									
City Facility Management	50.0	36.0	-14.0	13.0	24.0	11.0	63.0	60.0	-3.0
Convention Center				86.4	78.4	-8.0	86.4	78.4	-8.0
Fleet Services				86.0	86.0	0.0	86.0	86.0	0.0
General Aviation				12.5		-12.5	12.5	0.0	-12.5
General Services Director				3.0	4.0	1.0	3.0	4.0	1.0
Office of Cable Communications				6.0	6.0	0.0	6.0	6.0	0.0
Parking Facilities				70.6	70.6	0.0	70.6	70.6	0.0
Regional Computer Center				202.8	203.8	1.0	202.8	203.8	1.0
Health	378.2	367.8	-10.4	166.0	170.2	4.2	544.2	538.0	-6.2
Human Resources	34.2	34.2	0.0	3.0	3.0	0.0	37.2	37.2	0.0
Law	79.0	77.0	-2.0	6.5	6.5	0.0	85.5	83.5	-2.0
Neighborhood Services	20.5	18.5	-2.0	25.0	25.0	0.0	45.5	43.5	-2.0
Parks	114.3	107.5	-6.8	43.8	43.8	0.0	158.1	151.3	-6.8
Public Services	326.5	300.5	-26.0	220.9	244.9	24.0	547.4	545.4	-2.0
Recreation	368.4	363.8	-4.6	93.1	102.5	9.4	461.5	466.3	4.8
Safety									
Fire	842.5	842.0	-0.5				842.5	842.0	-0.5
Police	1,337.4	1,332.4	-5.0	2.0	2.0	0.0	1,339.4	1,334.4	-5.0
Safety Director	6.5	6.5	0.0				6.5	6.5	0.0
Sewers				752.0	752.0	0.0	752.0	752.0	0.0
Transportation and Eng.	92.0	92.0	0.0	71.0	83.5	12.5	163.0	175.5	12.5
Water Works				634.8	634.8	0.0	634.8	634.8	0.0
TOTAL	4,034.7	3,952.3	-82.4	2,575.3	2,618.2	42.9	6,610.0	6,570.5	-39.5

2002 STAFFING PLAN

Introduction

The Staffing Plan provides the number of full-time equivalent (FTE) positions funded in the recommended 2002 Operating Budget Update. It also provides explanations for changes included in the recommended 2002 Operating Budget Update compared to the approved 2002 budget. The use of full-time equivalents matches the hours of work to the budget. For example, a part-time position, which is funded for an employee to work 20 hours per week for one year, would be budgeted as .5 FTE.

Staffing Plan Explanation of Changes

	General Fund	Other Funds	All Funds
City Council	(1.0)	0.0	(1.0)

The total recommended FTE for City Council and the Council Offices is 27.0 which is 1.0 FTE less than the approved 2002 budget. This FTE reduction is due to the transfer of the Mayor from City Council to the Office of the Mayor.

	General Fund	Other Funds	All Funds
Office of the Mayor	1.0	0.0	1.0

The total recommended FTE for the Office of the Mayor is 6.0 which is 1.0 FTE more than the approved 2002 budget. This FTE increase is due to the transfer of the Mayor to the Office of the Mayor from City Council.

	General Fund	Other Funds	All Funds
City Manager: Office of the City Manager	(1.0)	0.0	(1.0)

The total recommended FTE for the Office of the City Manager is 12.0 which is 1.0 FTE less than the approved 2002 budget. This decrease is the result of the elimination of 1 vacant Senior Administrative Specialist position.

	General Fund	Other Funds	All Funds
City Manager: Employment and Training Division	(0.6)	0.6	0.0

The total recommended FTE is 5.7 which is the same as the approved 2002 budget. Because of a shift in funding sources, 0.55 FTE was transferred from the General Fund to the TANF Fund 463 to more accurately reflect the total distribution of personnel services funding within the agency's budget.

	General Fund	Other Funds	All Funds
Buildings & Inspections Department	(3.0)	0.0	(3.0)

The total recommended FTE is 108.0, which is 3.0 FTE less than the 2002 Approved Budget. The elimination of (1) Clerk Typist 3, (1) Inspector 1, and (1) Administrative Specialist in the General Fund was made to meet the required 5% budget reduction for 2002.

	General Fund	Other Funds	All Funds
City Planning Department	0.0	(1.0)	(1.0)

The total recommended FTE is 25.5 which is 1.0 less than the 2002 Approved Budget. This decrease is the result of the elimination of a City Planning Technician 1 position.

	General Fund	Other Funds	All Funds
Economic Development Department	(0.5)	0.0	(0.5)

The total recommended FTE is 21.0 which is 0.5 FTE less than the 2002 Approved Budget. This decrease results from the elimination of a Clerk 1 position at 0.5 FTE for a student intern.

	General Fund	Other Funds	All Funds
Finance Department	(6.0)	0.8	(5.2)

The total recommended FTE is 190.0 which is 5.2 FTE less than the 2002 Approved Budget. This decrease is the result of the following FTE reductions: 1) Elimination of an Administrative Technician in the General Fund and a Clerk in the CDBG Fund 304 in Budget & Evaluation; 2) Elimination of a Supervising Clerk in Treasury; 3) Elimination of three Senior Accountants in Income Tax. In the Purchasing Division, 1.0 FTE (Administrative Specialist) is transferred from the General Fund to the Stores Fund 203. The net change in the General Fund is a reduction of 6.0 FTE.

	General Fund	Other Funds	All Funds
General Services: City Facility Management	(14.0)	11.0	(3.0)

The total recommended FTE for the City Facility Management Division is 60.0 which is 3.0 less than the approved 2002 budget. Three vacant positions in the General Fund have been eliminated, and 11 positions have been transferred to the Parking System Facilities Fund where the salaries are charged in the 2001/2002 Approved Budget.

	General Fund	Other Funds	All Funds
General Services: Convention Center	0.0	(8.0)	(8.0)

The total recommended FTE for the Cincinnati Convention Center is 78.4, which is 8 less than the approved 2002 budget. Eight vacant positions have been eliminated.

	General Fund	Other Funds	All Funds
General Services: General Aviation	0.0	(12.5)	(12.5)

The General Aviation Division of the General Services Department reflects a 12.5 FTE decrease compared to the approved 2002 budget as a result of moving the General Aviation Division from the General Services Department to the Transportation and Engineering Department.

	General Fund	Other Funds	All Funds
General Services: Director's Office	0.0	1.0	1.0

In the General Services Director's Office, one additional FTE is recommended to implement the new Citywide Communications System.

	General Fund	Other Funds	All Funds
General Services: Regional Computer Center	0.0	1.0	1.0

In the Regional Computer Center of the General Services Department, 1.0 FTE for a RCC Assistant Manager is recommended. This position will be in the HAMCO section of the Regional Computer Center and will be funded by Hamilton County.

	General Fund	Other Funds	All Funds
Health Department	(10.4)	4.2	(6.2)

The total recommended FTE is 538.0 which is 6.2 FTE less than the approved 2002 budget. To meet the 5% budget reduction in the General Fund, 6.4 FTE were eliminated in the School Nursing Program and 4.0 FTE were eliminated in the Nursing Home Licensure Program. The recommended All Funds FTE also includes a net increase of 4.2 FTE primarily from the addition of 3 FTE reimbursed from the Empowerment Zone grant and the net increase of 1.2 FTE in various other Health Department programs.

	General Fund	Other Funds	All Funds
Human Resources Department	0.0	0.0	0.0

The total recommended FTE is 37.2 which is the same as the 2002 Approved Budget. To meet the 5% budget reduction, 1.0 FTE (Senior Human Resources Analyst) was eliminated from the budget. This reduction was offset by the addition of 1.0 FTE (Administrative Specialist) which is fully reimbursed by the Fire Division, resulting in no change in FTE for 2002.

	General Fund	Other Funds	All Funds
Law Department	(2.0)	(0.0)	(2.0)

The total recommended FTE is 83.5 which is 2.0 FTE less than the 2002 Approved Budget. This decrease is the result of the following recommended FTE reductions: 1) Elimination of a Deputy City Solicitor position; 2) Elimination of an Assistant City Solicitor position. The net change in the General Fund is a reduction of 2.0 FTE.

	General Fund	Other Funds	All Funds
Neighborhood Services Department	(2.0)	0.0	(2.0)

The total recommended FTE is 43.5 which is 2.0 FTE less than the 2002 Approved Budget. The decrease in FTE is due to the elimination of the Office of Consumer Services.

	General Fund	Other Funds	All Funds
Parks Department	(6.8)	0.0	(6.8)

The total recommended FTE is 151.3 which is 6.8 FTE less than the 2002 Approved Budget. The decrease in FTE is due to the recommended reduction in services for the Nature Education and Centers Program.

	General Fund	Other Funds	All Funds
Public Services Department	(26.0)	24.0	(2.0)

The total recommended FTE is 545.4, which is 2.0 FTE less than the approved 2002 budget. The total recommended General Fund FTE is 300.5, which is 26.0 FTE less than the approved 2002 budget. A total of 24.0 FTE positions are recommended for transfer from the General Fund to various restricted funds to perform street construction, traffic control, and infrastructure duties. In addition to the shift of these 24.0 FTE, two Electrical Maintenance Worker positions have been eliminated.

	General Fund	Other Funds	All Funds
Recreation Department	(4.6)	9.4	4.8

The total recommended FTE is 466.3 which is 4.8 FTE more than the approved 2002 budget. The recommended FTE includes an increase of 26.8 FTE in the General Fund to staff the College Hill and Madisonville Recreation Centers scheduled to open by mid-year 2002 but is offset by a reduction of 31.4 FTE resulting in a net reduction of 4.6 FTE in the General Fund. The recommended All Funds FTE also includes the transfer of 9.4 FTE from the General Fund to the Special Activities Fund to support recreation staff for various recreation center activities and programs.

	General Fund	Other Funds	All Funds
Safety: Fire Division	(0.5)	0.0	(0.5)

The total recommended FTE is 842.0 which is a decrease of 0.5 FTE from the approved 2002 budget. The change in the General Fund is due to the elimination of a Municipal Facility Worker (T-Cap) position from the Fire Division.

	General Fund	Other Funds	All Funds
Safety: Police Division	(5.0)	0.0	(5.0)

The total recommended FTE for the Police Division is 1,334.4 which is 5.0 FTE less than the approved 2002 budget. 3.0 FTE Municipal Facility Worker positions were deleted with the elimination of the T-Cap program. 1.0 FTE Mediation Services Specialist position was eliminated with the loss of funding from the Safe Pathways Program. 1.0 FTE Administrative Technician position was eliminated due to the loss of LLEBG grant funding.

	General Fund	Other Funds	All Funds
Transportation and Engineering Department	0.0	12.5	12.5

The total recommended FTE is 175.5, which is a 12.5 FTE increase compared to the approved 2002 budget level of 163.0 FTE. This 12.5 increase is the result of moving the General Aviation Division from the General Services Department to the Transportation and Engineering Department. The total recommended General Fund FTE is 92.0, which matches the FTE in the approved 2002 budget.